

House and the Executive Office of the President by some 350 people from its staffing at the end of the Bush administration, not counting, of course, OMB and the Trade Representative's Office, nor part of the Cabinet.

This reduction will be implemented in the next fiscal year—that is, the one that begins with the new budget—not at some distant date in the future. And these cuts will come at all levels of our operations. I should point out that this is one of the few times in this century that any President has actually shrunk the size of the White House staff.

In addition, we'll be cutting back on some of the perks that can too often delude public servants into thinking that the people work for them instead of the other way around. And the salaries of many top White House staff have been reduced also.

I take these steps not simply to save the taxpayers' money but also because I believe this smaller White House will actually work better and serve the American people better. We have begun a process of revitalization and reorganization that must consume our entire Government and not simply its most visible symbol here on Pennsylvania Avenue.

Over the past decade the best American businesses have had to reorder themselves and revitalize themselves. They've had to reduce layers of bureaucracy, give people on the front lines the freedom to innovate, and do more with less to better serve their customers. Well, the taxpayers of this country are our customers, and we intend to follow those methods of modernization to increase our services to them and to do it at an affordable cost so that this money can be put to more productive purposes.

Millions of dollars will be saved by this reorganization. But we will do more in the other Cabinet Departments, throughout the Government, and not just in this year but in the years ahead. Too often in recent years our Government has been on automatic pilot. People do things today just because that's the way they were done yesterday. It has grown to satisfy not only the needs of the people but its own needs. America has changed, but Washington hasn't. Now, as have so many businesses before, our Government must reform itself to regain the people's trust and

to be able to take the lead in the challenging decisions which lie ahead of us.

Now Mr. McLarty, my Chief of Staff, will explain the details of the reorganization.

NOTE: The President spoke at 11:34 a.m. in the Briefing Room at the White House.

Exchange With Reporters During a Meeting With Boy Scouts *February 9, 1993*

White House Staff Reduction

Q. Mr. President, are you going to share in the sacrifice, giving up perks?

Q. Mr. President, will you raise the corporate tax rate to 36 percent?

Q. Were you a Boy Scout, Mr. President?

The President. I gave up 350 staff members, a remarkable accomplishment. And Mr. McLarty answered the other question.

NOTE: The exchange began at 2:14 p.m. in the Oval Office at the White House.

Remarks at a Meeting With Cabinet Members *February 10, 1993*

The President. Ladies and gentlemen, I'm going to sign these Executive orders, and then I will go over to the microphone and make a statement about each one.

The first order requires by attrition a reduction in Federal positions of 100,000. The second order is a reduction in the administrative costs of the present Federal Government by 3 percent per year on average leading up to 5 percent in the 4th year of this 4-year term and abolishing several boards and commissions. The third order deals with the commissions.

These are memoranda to the Department heads. One deals with perks; one deals with Government vehicles; one deals with aircraft.

[At this point, the President signed the documents.]

Members of the Cabinet and staff, tonight I will be going to Michigan and the Vice President will be going to California to hold town meetings with American citizens to talk

to them about the economic problems and the budget mess that we have inherited and the priorities and principles we intend to bring to our efforts to change the country and bring about recovery.

The people demand and deserve an active Government on their side. But they don't want a Government that wastes money, a Government that costs more and does less. They voted for change. They wanted a literal revolution in the way Government operates, and now you and I must deliver.

Yesterday I announced the reorganization of the White House staff that will reduce our staff by 25 percent and cut costs by \$10 million per year. Today I have called you, the Members of the Cabinet, together to take the next step, to begin the overhaul of Government as a whole. The steps we're taking today will save the American taxpayer \$9 billion. They won't be easy, but they will make a difference. We have an obligation and an opportunity to change the way Government works and to show that Government can do more with less.

Our Government needs change. For the last dozen years I've heard our leaders call loudly for less Government while giving people more Government and, perhaps more importantly, while giving almost no attention to better or different Government, to new ways in which partnerships could be made with people in the private sector and in State and local governments. Too often in the last decade people have rushed to defend the power of the few at the top and privileges of the elite, not just in the private sector but also in Government. Too often when economic security of ordinary Americans has been threatened, Government has sat still, refused to lead—not even follow, just get in the way. That era has come to an end with our coming to office.

Today the Cabinet and I are taking several steps to show that we intend to change the way that Government works. But I want to make it clear this is only a beginning, not the end of the process.

First, I am ordering a reduction of the Federal bureaucracy by at least 100,000 positions over the next 4 years. At least 10 percent of these cuts must come from senior management. The cuts can come from attri-

tion; I see no need for layoffs. These cuts will make our Government more efficient and more effective. The Government is full of dedicated people whose hard work is being choked off by our own bureaucracy.

Second, I'm ordering each Federal department and agency to reduce its administrative, as opposed to its program, costs by 12 percent over the next 4 years. With better planning and innovation we can make better use of the money we already have. In many agencies overhead is too high, redtape is too thick, and the day-to-day operations of the agencies have not been reexamined in a very long time. I believe Government can both care about people and be careful with their money.

Third, I am today ordering the elimination of hundreds of unproductive and duplicative advisory commissions that have spread across this Government like kudzu. I'm asking the Office of Management and Budget to eliminate at least one-third of the 700 advisory boards and commissions that were not created by Congress. From now on agencies and departments will not be allowed to create new commissions without permission from OMB. We simply cannot allow the Federal bureaucracy to beget more bureaucracy.

Finally, we have to shrink the gulf between Government and the average citizen. Too often success in Washington is measured not by results but by perks. Today I've issued three directives that will begin to limit perks and privileges that have driven a wedge between Washington and the public: First, an end to widespread use of home-to-office limousines by top officials and a reduction in the limousine fleets overall by half. Second, I'm tightening the rules for using Government airplanes and ordering an inventory of the airplane fleet with an eye toward eliminating unnecessary planes. Many people believe that there are substantial savings here. Finally, I'm ordering the elimination of such perks as below-cost executive dining rooms and free membership in private health clubs.

However, I do want to say to you, as I just told the Cabinet before we came in, this administration was also elected to provide a health care plan for the American people, including setting a good example. And one of the ways I want to do that is to keep people

healthier. So, I will also encourage every Government agency to provide health facilities in any building of any size, as long as they are provided on equal terms to all employees from the building maintenance people to the Secretary of the Department.

These Executive orders are just a beginning, but they're a good beginning. We will now move on to really try to find ways to reinvent the way Government works and relates to people: how we can empower people more and entitle them less, how we can have more effective partnerships with the private sector and with State and local government, how we can find some of the dramatic productivity innovations that have characterized our finest companies over the last few years.

I'd like to now call upon a few of our Cabinet Secretaries to discuss some of the things that they have been doing in their agencies, beginning with the Labor Secretary, Secretary Reich.

[At this point, Secretary Reich spoke about how eliminating executive perks improves management-labor relations.]

The President. Secretary O'Leary.

[At this point, Secretary O'Leary spoke about the example set by staff reductions in her own office.]

The President. I also appreciate what you've done to make the building more accessible over there.

Secretary O'Leary. Thank you.

The President. Secretary Cisneros.

[At this point, Secretary Cisneros spoke about HUD cost-cutting measures and management improvement efforts.]

The President. Secretary Babbitt.

[At this point, Secretary Babbitt spoke about Interior Department management improvement and elimination of perks.]

The President. Well, thank you. One of us has had a big problem to deal with in the last few days, and my impression is that he's done quite well. I'd like to ask Secretary Espy just to give a report about the crisis he's been dealing with and what his recommendation has been.

[At this point, Secretary Espy spoke about plans for improvement of the meat inspection program.]

The President. Anybody else like to be heard?

Bosnia

Q. Mr. President, changing the subject, since Secretary Christopher is going to talk about Bosnia this afternoon, could you at least tell us are U.S. troops a part of the initiative that will be unveiled this afternoon?

The President. I think I should let Secretary Christopher give his speech first. We have all worked very hard on this Bosnia policy ever since we took office and even before, trying to find a way to do more but do it with the support of our allies and through the United Nations. I think I'll let him give his speech, and then I'll be glad to answer questions about the policies after he does.

Q. Do you think the public—

The President. I think the public will support the policy that he will outline today, yes. I think they will want us to do more and want us to do it in a prudent way. And I think that they will support this policy.

NOTE: The President spoke at 10:33 a.m. in the Cabinet Room at the White House.

Executive Order 12837—Deficit Control and Productivity Improvement in the Administration of the Federal Government

February 10, 1993

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Budget and Accounting Act of 1921, as amended (31 U.S.C. 1101 *et seq.*), and section 301 of title 3, United States Code, and in order to assist in the control of the Federal deficit and improve the administrative productivity of the Federal Government, it is hereby ordered as follows:

Section 1. All executive departments and agencies shall include a separate category for "administrative expenses" when submitting their appropriation requests to the Office of